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Electric Power Planning

THE DECISION-MAKING FRAMEWORK

AND PUBLIC PARTICIPATION

ISSUE PAPER #8

MAY 1977



Ontario





ISSUE PAPER #8THE DECISION-MAKING FRAMEWORKAND PUBLIC PARTICIPATION

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Issue Paper #8

THE DECISION MAKING FRAMEWORK
AND PUBLIC PARTICIPATION

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THE DECISION MAKING FRAMEWORK
AND PUBLIC PARTICIPATION

"...The matter in hand is not mere felicity of speculation, but the real business and fortunes of the human race, and all power of operation... And so those twin objects, human knowledge and human power, do really meet in one; and it is from ignorance of causes that operation fails".

- Francis Bacon

Introduction

Included in the Terms of Reference of the Commission is the requirement that it "Examine the Long-Range Electric Power Planning Concepts of Ontario Hydro ... so that an approved framework can be decided upon for Ontario Hydro in planning and implementing the electric power system in the best interests of the people of Ontario."

The scope of system planning is substantial in both time and space. Generating station projects, for example, have a "lead time" of 12-15 years and a subsequent useful lifetime of 30 years or more. For the system as a whole -- which in the past has had a doubling time of 10 years -- Ontario Hydro has at any one time been planning new facilities equivalent to its entire system!

Because of the scale thus indicated, the planning process is a difficult one, as the uncertainties of the long-term economic environment and long-term social priorities have been added to the usual problems of anticipating the rate and direction of technological change. As the size of the system increases, social, economic and environmental impacts are magnified. They are also

more in evidence as facilities for supplying power are required for more populous regions of the province. As a central supply agency undertaking planning on a province-wide scale, Ontario Hydro has developed its system plans using large central generating stations -- not necessarily close to load centres -- connected in a grid by high-voltage transmission lines. There has been some public opposition to the large-scale use of 500 kV transmission lines in the province, illustrating the potential incompatibility of centralized planning and perceived local needs.

The planning process to date has been undertaken almost exclusively by the utility experts: load forecasts established the amount of capacity to be built, technical requirements and economic efficiency considerations determined the nature of supply facilities and the necessary funding was supplied by a combination of debt financing and power rates. It is evident from information produced at the Commission's hearings that the decision areas are not independent and that the decision process is no longer a one-way flow. For example, the impact of supply facilities, the capital costs associated with a certain programme, or the resultant cost of power may call into question the "need" for the amount of electricity specified by the load forecast.

Accordingly, decisions in each area, and the decision-making process in total are now more closely tied to questions of public policy, e.g., how much electricity should be provided? what costs are acceptable ones? Long range power system planning has therefore become a much more political process, involving trade-offs among the goals and objectives of different groups within

society. It also has become a process requiring public participation since the decisions will have long-run implications for all the people of Ontario.

This paper describes the existing decision-making framework related to power system planning, identifies potential participants and structures of decision-making, and introduces some associated issues. Issues related to public participation in decision-making are also discussed.

A. Participants in Decision-Making

Potential participants in decisions related to electric power planning include Ontario Hydro, the Government of Ontario, other elected representatives at all levels of government, civil servants, citizen groups with a self-identified interest in power planning, groups affected by Hydro planning but not presently involved, regulatory and review bodies and individual members of the "general public". (Appendix D-3 depicts some influences on Ontario Hydro decisions.)

The major decision-makers are the Ontario Hydro Board of Directors, the Cabinet, and "regulatory" Boards such as the Environmental Assessment Board and the National Energy Board (which share their respective authority with the Ontario and Canadian governments). Advisors include Ontario Hydro staff, advisory Boards (such as the Ontario Energy Board) and civil servants with provincial government Ministries.

The Ministries most influential in Ontario Hydro planning are

the Ministry of Energy, the Ministry of the Environment, and the Ministry of Treasury, Economics and Intergovernmental Affairs. The Cabinet Committee on Resources Development discusses proposals related to Ontario Hydro plans prior to decisions by the full Cabinet. Ministries of the Resources Development policy field (which include the Ministries of Energy, the Environment, Transportation and Communications, Industry and Tourism, Labour, Natural Resources and Housing) as well as TEIGA are involved in Hydro-organized study groups related to route and site selection and in inter-ministerial discussions on policies affecting Ontario Hydro. Ministries of the Social Development policy field can also be involved where appropriate.

B. Decisions in Power System Planning

Three basic types of decisions relate to the electric power sector:

- how much demand?
- how to supply that demand? and
- how to finance the necessary supply facilities?

It is therefore worth reviewing the present structures of decision-making in each area, the linkages to Government Ministries, and the past involvement of regulatory or review agencies.

(a) Decisions on "demand"

Load forecasting has to date been an Ontario Hydro function although the methodology has been reviewed by a number of agencies, including the Ontario Energy Board. In 1976 capital expenditure restraints meant that capacity expansion had to be reduced; therefore load forecasts are not at the present time the starting point for system planning. In fact a Hydro "load plan" now specifies the amount of demand which can be met at allowable rates of growth in system capacity and the difference between forecast and plan equals a Hydro-defined target for conservation.

The Government has not taken a direct role in the "demand" area by specifying the quantity of electrical energy to be provided. The Ministry of Energy has the present responsibility for energy supply policy in Ontario, and also coordinates the Energy Management Program of the Provincial Government but has not specified the rate of growth in capacity and has not itself defined targets for electricity conservation.

Decisions in this area could include those on the amount and reliability of electrical energy to be supplied; methods of predicting demand; electricity conservation targets within a total energy management programme, and allocation of limited electricity supply.

Questions which might be raised:

- should the Government specify the amount and reliability of electric power supply to be provided?
- on what basis should "need" be determined? (e.g., should all demands be given equal priority or should some loads

be supplied on an interruptible basis?) What groups should be involved in the determination?

- should targets for electricity conservation be set as a government commitment? How should such targets be defined within an overall provincial energy strategy? What legislation would facilitate and/or make mandatory conservation measures by individual customers?

(b) Decisions on "supply"

As in load forecasting, past decision-making on supply facilities was largely left to Ontario Hydro experts -- economic and engineering considerations dictated the "lowest feasible cost" alternative, subject to any government regulations.

System planning has two aspects: broad decisions on the system plan as a whole (e.g., centralized or de-centralized system; size and type of generating unit; locational criteria) and specific decisions on location of generation and transmission facilities. Ontario Hydro's "public participation process" involving government and citizen groups concentrated initially on the later decision stages of route and site selection. It appears that many problems have arisen because of the late stage of public involvement and the consequent fact of too many "givens". Ontario Hydro's present "working group" studies are of a broader, regional nature and involve groups representing a cross-section of provincial interests.

The Resources Development policy field ministries have had the strongest involvement in the evaluation of supply facilities.

Past public reviews of the impact of transmission lines have been undertaken in response to concerns expressed by interested groups. The agencies used were an independent Commission of

Inquiry conducted by Dr. Omond Solandt, and the Environmental Hearing Board. The Environmental Assessment Act as administered by the Ministry of the Environment and the Environmental Assessment Board will be an important factor in future supply decisions. Some issues which can be debated:

- should government specify some of the basic variables of electricity supply as policy decisions?
- which decisions are suitable for such non-technical choice? (e.g., proportion nuclear? locational factors such as type of land and distance from load?)
- what groups should be involved in the general and/or the specific decisions in the evaluation of supply facilities and what mechanisms of decision and review are feasible?

(c) Decisions on "finance"

Some decisions on how to finance the electric power system have in the past been subject to review by the Ontario Energy Board (O.E.B.). The Board's 1974 public review included an examination of Ontario Hydro's financial plans and policies, and in 1974, 1975 and 1976, the O.E.B. reviewed the Corporation's bulk power rate proposals as required by the Ontario Energy Board Act. (The Board has no regulatory authority, however, and the final decision on power rates is that of Ontario Hydro's Board of Directors.) Ontario Hydro's costing and pricing study will be reviewed by the Ontario Energy Board in public hearings during the summer of 1977.

Ontario Hydro's capital borrowings are guaranteed by the Province of Ontario: bond issues must therefore be approved by the Provincial Treasurer. In the last few years, capital expenditures have increased more rapidly than the growth in capacity, because of a shift to more capital-intensive generating facilities (i.e.,

nuclear). Capital requirements are now a potential constraint on system planning; therefore, some mechanism for incorporating long-term capital availability into the planning process appears to be necessary. The Ministry of Treasury, Economics and Intergovernmental Affairs has discussed its on-going review of this issue at the Commission's hearings.

The coordination of rate and capital borrowing decisions is also important, as these decisions are interdependent. Moreover, pricing policies may influence the rate of growth in the demand for electricity.

In the financial area, some issues which might be discussed are:

- how should decision-making authority on (i) power rates, (ii) capital borrowing, be distributed among the Cabinet, the Ontario Hydro Board, the Ontario Energy Board, or others? (e.g., should the O.E.B. be a regulatory body? Should Cabinet approval of power rates be required?)
- which Ministries and other agencies should be involved in developing financing alternatives? In reviewing the alternatives? In what manner should the public be involved?
- how should consideration of Ontario Hydro's operating and capital budgets be undertaken (how often? by what agency? separately or jointly reviewed?)

C. The Decision-Making Process

There are several broad issues which relate to all electric power planning decisions:

(a) Relationship between Ontario Hydro and the Government

The organizational structures of both the Provincial

Government and Ontario Hydro were analyzed in the early 1970's by the Committee on Government Productivity (C.O.G.P.) and the associated Task Force Hydro. The C.O.G.P. was charged with recommending ways by which the management of government and its agencies could be made more "efficient, effective, and responsive" to the changing requirements of the Province of Ontario (with responsiveness including both the ability to anticipate change and to respond to change in an innovative manner). Task Force Hydro had similar terms of reference with respect to the operations of Ontario Hydro.

The C.O.G.P. noted, among other things, that an appropriate organizational structure would be one which "separates responsibility for policy formulation and planning from program delivery".

Task Force Hydro confirmed this view, suggesting that Ontario Hydro should, as a delivery agency, be independent of Government in operational matters while functioning within the "over-all policy of the Provincial Government".

The Corporate Office of Ontario Hydro and the Ministry of Energy have reviewed the present separation of responsibility between the Corporation and government in which the powers of the Ontario Hydro Board of Directors, as specified in the Power Corporation Act, are qualified by the requirement for Government "approval" by an Order-in-Council of all major undertakings by the Corporation. (Selected examples of the responsibilities of the Ontario Hydro Board and the "approvals" required by the Power Corporation Act are enumerated in Appendices #D-5 and D-4.) The

Ministry of Energy noted in its submission to the Commission that "the Ontario Hydro Board of Directors is responsible for determining policy for operational matters and receives policy guidance from the Government ... the translation of Government policy into operational policy is and should remain the responsibility of the Ontario Hydro Board of Directors".

The distinction between "operational" policy and broader "government" policy is, however, sometimes a difficult one to make. Furthermore, the cumulative impact of individual Ontario Hydro operational decisions can have major implications for the province's economic and social life. Because of the increasing importance of Ontario Hydro as a socio-economic force, it is worthwhile to investigate alternative approaches to decisions in the electric power sector. For example:

- are some operational decisions of sufficient importance to be made "government" rather than "Ontario Hydro" functions?

An example of such decisions, as suggested in the previous section, is the choice of generation mix of the future power system. A decision made by Ontario Hydro within its implicit "lowest feasible cost" mandate might be based on such inputs as technical feasibility, projected fuel costs, capacity factors and other elements of long-term energy costs. However, the choice of generation can involve other than technical factors and internal economic factors. Security of fuel supplies and "external" costs of power generation are two aspects within the realm of government policy concern. Environmental impacts of differing kinds are

associated with coal and nuclear plants, and the trade-offs between such options may more properly be a government function.

Further, the ramifications of Ontario's support to the nuclear industry's development in Canada and the social issues attached to the Canadian domestic industry and nuclear exports put the Ontario nuclear question into the national energy policy decision field.

If the problem is to ensure that Ontario Hydro's operational decisions are consistent with government policy, an alternate approach to a "managerial" role for government in such matters might be a more explicit (and perhaps more extensive) statement of the policy framework within which planning should occur. A more integrated approach to electric power planning within the framework of provincial planning has been noted as a priority concern by many of the participants at the Commission's hearings. Two important issues are:

- how can Ontario Hydro planning be best integrated with public policy, considering factors such as the differing time-frames for decision?
- is there a need for Ontario Hydro's mandate to be reviewed periodically to ensure that it continually reflects the changing needs of the province?

Mechanisms by which on-going policy guidance can be given to Ontario Hydro by the Government include Orders-in-Council, other specific Government directions to the Corporation, and continuing consultation between the Minister of Energy and the senior policy officials of Ontario Hydro.

A related issue is that of "accountability". It is essential not just that Ontario Hydro planning be compatible with the goals of Government policy but that it be seen to be so. The Minister of Energy responds in the Legislative Assembly on behalf of Ontario Hydro: tabling its Annual Report, and answering questions which arise on a day-to-day basis or as part of the review of the Ministry estimates by a Standing Committee of the Legislature. Reports by various regulatory and review bodies examining Ontario Hydro-related matters are also tabled in the Legislature by the Ministers responsible. Although the Legislature normally does not examine Ontario Hydro operational matters, some aspects of Ontario Hydro's budgets and operations have been publicly examined by the Ontario Energy Board and by a Select Committee of the Legislature on Ontario Hydro's 1976 rate increase, with Hydro's Corporate Office among those testifying. Two further Select Committees on Ontario Hydro matters have been announced. Questions which should be considered:

- what are the best mechanisms for ensuring the accountability of Ontario Hydro? e.g., should there be a regular statement by the Minister of Energy, specific to Ontario Hydro operations, in the Legislature?
- what role ought the Legislature to play in examining Ontario Hydro plans and policies?

(b) Integrated policy planning

The Committee on Government Productivity suggested that the structure of government should be one which "facilitates good communication and coordination of effort among diverse agencies", with a fundamental requirement for a "decision-making process which will facilitate policy and priority-setting". The subsequent re-

structuring of the Ontario Government included the grouping of Ministries into "policy fields", with coordinating committees in each policy field. (A chart of the Ontario Provincial Ministries and their respective responsibilities is included in Appendix #D-1.)

Task Force Hydro noted the large number of interfaces between Ontario Hydro plans and government policy concerns (including regional development, finance, environment, and energy) and commented on the role of Ontario Hydro with respect to some of these policy areas. The interaction of these areas has become even more evident since the Task Force's study.

Structures and processes for communication between Government Ministries and Ontario Hydro are therefore of interest. Several ministries (for example, the Ministry of the Environment and T.E.I.G.A.) have significant bilateral discussions with Ontario Hydro in their areas of responsibility. The Ontario Hydro-organized "external teams" involved in project and regional studies include ministry representatives. It is worth considering the inter-ministerial process related to Ontario Hydro planning with a view to possible improvements.

i) Energy strategy

In the area of integrative provincial energy strategy, Ontario Hydro as a provincially-controlled energy-supply agency is in many ways the "cornerstone" of provincial energy policy. Moreover, as a user of primary energy resources it has a major impact on the province's requirements for coal and uranium, as a

competitor with suppliers of fossil fuels in many end-uses it indirectly affects requirements for those fuels, and its conservation programmes are a contribution to the province's energy demand policies. As the Canadian utility with the most advanced nuclear generation programme, Ontario Hydro probably affects Canadian nuclear energy policy.

Thus, Ontario Hydro planning is linked to several aspects of energy policy and to planning in both the supply and demand areas. Ontario Hydro policies should, therefore, complement the broader choices of long-term provincial strategy on supply and demand. Such a strategy involves a continuum of policies - from the local level involving the individual consumer of energy to the national level involving macro-decisions on large scale projects. Clearly, electrical energy is only one aspect of the total energy picture, and perhaps should be explicitly placed within that context. For example, should there be a regular formal public policy statement on Ontario Hydro operations, within the context of total provincial energy strategy (e.g., an annual energy budget)?

Another aspect is: is there a need to integrate provincial and federal policy into a "national" policy?

The future role of electricity is a major national energy policy issue. The federal government document "An Energy Strategy for Canada" published in 1976 outlined a strategy of "self-reliance", in which electricity produced from indigenous coal and uranium might be a significant contribution to a reduction in the requirements for foreign oil.

In the supply area, Ontario Hydro is involved in resource development programmes (coal and uranium) with private industry, and in discussions with other jurisdictions on supply contracts.

In this decision area an important issue is:

- how can officials of Ontario Hydro best contribute to interprovincial and federal-provincial discussions on energy supply? (e.g., as advisors to the provincial Ministry of Energy, as participants on Task Forces, etc.)

In the field of conservation, several Ministries and customers of Ontario Hydro, appearing at Commission hearings, have discussed their involvement with Ontario Hydro's energy conservation programmes. Last year the Corporation established an Energy Conservation Division. The provincial Ministry of Energy coordinates the Government's Energy Management Program for all types of energy, while nationally, the Office of Energy Conservation operates as a branch of the Department of Energy, Mines and Resources. Issues worth discussing include:

- what role can Ontario Hydro and the municipal utility commissions play in the development of provincial energy conservation strategy?
- what information possessed by Ontario Hydro or the municipal utilities would be useful to other municipalities, industries and other groups developing energy conservation programmes? How can this information be made available? e.g., should there be a central agency assisting citizens with questions on energy conservation? What methods for the broad dissemination of available research and demonstration results are possible? (e.g., solar technology demonstrations)
- by what mechanisms might the efforts of the three conservation offices (Ontario Hydro, the provincial and the federal conservation office) be best integrated to supplement each others' activities and programmes?

ii.) Land-use planning

Since many of Ontario Hydro's plans involve land-use considerations, a second area of integrative policy making of

relevance to Ontario Hydro's future planning concepts is provincial land use planning. This process is discussed in Issue Paper #4. The broad issues raised there include:

- how can an integrated approach to land-use planning be facilitated? e.g., what mechanisms can be proposed that best incorporate local/regional/provincial government concerns into power system planning (or that best incorporate electrical energy supply factors into local, regional and provincial plans)?

Environmental planning is a significant component of land-use planning. In its submission to the Commission, the Ministry of the Environment noted that the objective of the Environmental Assessment Program is "improved, comprehensive decision-making ... The definition of 'environment' in (the Environmental Assessment Act) is set out in the broadest terms and includes not only the natural environment but also 'man' within the environment. This means that an environmental assessment must also take into account social and economic factors, and the broader planning goals of the Province".

(c) "System-wide" planning: The long-range programme

As noted earlier, the demand, supply and finance areas are inter-related and decisions in any one area cannot be made in isolation. Therefore, mechanisms for coordinating and rationalizing decisions in their total context should be discussed. That is:

- at what point should constraints in each decision area be incorporated into the process of developing alternatives? e.g., should particular "policy decisions" be accepted prior to the development of alternative system plans or should they be used to exclude alternatives at a later stage?

It is worth examining whether an overview mechanism can be developed. Ontario Hydro's proposed Long Range Plan, (e.g., LRF48), at any point in time incorporates elements of decision such as load forecast, financial forecast, and locational choices. A regular study, review and approval procedure for the system expansion plan as a whole is, therefore, one possible integrative approach.

The system expansion plan as a whole has not been approved explicitly by the government, although the Ontario Hydro Board reviews the 10-year Long Range Forecast programme annually, and approves the 1-year expenditures associated with it. In June, 1973, government "approval-in-principle" was given to a number of projects in Ontario Hydro's generation development programme of 1977-82, subject to further review by the Ontario Energy Board and to individual project review. No alternative programmes had been developed by Hydro for comparison purposes, but two were produced specifically at the Energy Board's request. In its report, the Board recommended some reduction in the planned "reserve margin", and also that the order of the later stages of the generation development programme (i.e., nuclear or fossil) be re-considered.

The long-range programme was modified in 1976 in response to capital expenditure constraints. Alternative programmes were developed, and LRF48 was chosen by the Ontario Hydro Board as the optimal one. In this programme the in-service dates of several approved or well-advanced projects were extended, leading to requests by some groups for further study of alternative projects in the time made available.

LRF48 is the plan which Ontario Hydro has reviewed during the Commission's information hearings. Some variants have been discussed in the memorandum on "Planning of the East System". Ontario Hydro's Corporate Office has also indicated that alternative scenarios, based on differing assumptions as to load, generation mix, and capital constraints are being developed. Policy decisions would provide a basis for narrowing the range of choice. However, a mechanism for periodic reviews of those decisions and their consequences might be necessary. An issue for discussion is:

- should government "approval-in-principle" be given on a regular basis to Ontario Hydro's generation development programme? If so, what time period should the approval cover? What aspects of the programme would then be "given" and which would remain open to further modification?

To date the responsibility for developing alternative system plans has been Ontario Hydro's, and a basic goal, in the absence of direction to the contrary, has been to minimize long run costs to the organization. Its implicit mandate is electricity (not energy) supply, and in general, it uses criteria of internal (not total) economic efficiency.

However, from a broad perspective, there will probably be a case for the increased use of other energy sources, and certainly for the more efficient use of available electricity. It would be desirable to evaluate the availability, costs, and benefits of such potential energy sources. There is also the question of most efficient use of total energy (for example, by co-generation schemes or the use of by-product heat from generating stations for district heating, agricultural purposes and other uses).

Decisions on the optimal utilization of relatively scarce social resources, on the advantages of security of supply, and on the social and environmental costs and benefits are outside of Ontario Hydro's traditional decision-making framework.

It appears to be necessary to clarify the role of Ontario Hydro, as the major supplier of electricity, in defining and choosing among alternatives. Should Ontario Hydro be restricted to determining the system plan which best meets externally-defined criteria? Or should it be required to develop a broader range of alternative plans, for review and choice by an external agency?

In this regard:

- what structures of review and approval of alternative programmes are appropriate? e.g., when, how, and by whom should alternatives be developed? When, how, and by whom should constraints be specified? When, how and by whom should choice be made? What are the strengths and weaknesses of the suggested processes?

(d) Coordination of the Review and Regulatory Process

A number of participants at Commission information hearings have commented on the overlapping reviews of Ontario Hydro operations, and the need to coordinate review procedures.

Previous sections of this paper have mentioned some of the numerous reviews of Ontario Hydro which have occurred in the recent past. A partial list of these includes general reviews such as:

<u>REVIEW AGENCY</u>	<u>YEAR</u>	<u>TOPICS</u>
1. Task Force Hydro	1971 - 1973	role and place; organization; nuclear power; financial policy and rates; "make or buy" policy
2. Ontario Energy Board	1974	system expansion programme 1977-82
	1974	financial plans and policies
	(forthcoming)	costing and pricing of electricity
3. Select Committee on Hydro	1975 - 1976	bulk power rates for 1976 in relation to the anti- inflation programme; conservation; operating budgets
4. Royal Commission on Electric Power Planning	1975 -	planning concepts and principles for 1983-93 and beyond
and more specific hearings, for example:		
5. Ontario Energy Board	1974-75-76	bulk power rate proposals (1975, 1976, 1977)
6. Environmental Hearing Board	1975	routing of portion of the Bradley-Georgetown 500 kV line
7. Solandt Commission	1972 - 1975	routing of the Nanticoke- Pickering and Lennox-Osha 500 kV lines
8. National Energy Board	1976	power export licence

Of these agencies the Ontario Energy Board, the Environmental Hearing Board (now the Environmental Assessment Board), and the National Energy Board are the only permanent review bodies. Other regulatory bodies (such as the Ontario Municipal Board) are often involved in aspects of electric power planning. (See Appendices D-

6 and D-7) For future planning, it may be necessary to establish appropriate jurisdictions for existing (or new) agencies to ensure adequate public scrutiny of plans and policies.

It is important to make a distinction between reviews of general policies and principles, and specific reviews. For example, the Commission is reviewing many planning principles, and the government has expressed the wish that the Commission "deal primarily with the broader issues relating to electric power planning, and thus serve to alleviate the need for re-examination of these issues at other hearing bodies on specific details such as siting and rates". Since issues may not be resolved "once-for-all", questions for consideration are:

- is there a need for an ongoing public monitoring of Ontario Hydro's implementation of policy decisions? Or, should there be a periodic public re-evaluation of the adequacy of policies? In particular, should there be a permanent agency for resolution of generic issues, ("need", generating mix, etc.) separately from specific siting and rate issues?

A related issue is the extent to which specific reviews should re-examine previous decisions. While overly restricted mandates and terms of reference may result in some fundamental questions not being addressed, reviews which are unnecessarily broad-ranging can extend lead-time, result in excessive cost, and can, indeed, foreclose alternatives by diminishing flexibility to respond to changed circumstances. The process of study, review, and approval of individual Ontario Hydro projects has become a lengthy one. In a speech at one of the Commission's symposia, Mr. Robert Taylor, Chairman of Ontario Hydro, likened the planning process to the childrens' game of "Snakes and Ladders" and the

testimony of Ontario Hydro witnesses confirms that they perceive a veritable "jungle of snakes but few ladders". The possibilities for shortening the total decision-making process is one area for priority consideration. That is, it is essential to clarify:

- the sequence in which decisions should be made, and
- the degree to which decisions by each review/regulatory Board are binding

in order that timely decisions not be precluded by unnecessarily "iterative" processes. In particular, how can the functions of existing regulatory and advisory Boards be co-ordinated so as to minimize overlap?

In undertaking this scrutiny of regulatory and advisory agencies, it is also necessary to consider the adequacy of forums for resolution of issues which the public sees to be important. (For example, lack -- or perceived lack -- of forums for discussion of generic issues early in the decision-making process may lead to the raising of these issues at later stages where they are "irrelevant" to the review agency's task and hence unresolvable.) Specifically, are there any contentious aspects of Ontario Hydro planning not being adequately reviewed which should be explicitly assigned to an existing (or new) regulatory agency?

The implementation of the Environmental Assessment Act is an important topic for discussion. (In the "snakes and ladders" of policy review and regulation, the Environmental Assessment Act may well be "the benevolent boa constrictor" who, with a little pressure in the right place, produces the desired effect.) Some have suggested that the procedures associated with the

Environmental Assessment Act could accommodate questions of "need" as well as specific locational decisions. The procedures include study, review and approval. (See Appendices D-8 and D-9 for information on the procedures of the Environmental Assessment Act.)

Environmental assessment procedures can be iterative. The Ministry of the Environment has indicated that for a given environmental assessment study, the environmental planning model may be repeated several times (for example, in selection of an electrical power transmission line - one iteration to select a preferred "band" within a study area, a second iteration to select a preferred "corridor" within that band, and a third to select the precise alignment within the "corridor"). The planning model also provides for "constant feedback within the process, by which earlier decisions may be re-evaluated in the light of later findings." Questions which arise related to the application of the environmental assessment procedures include:

- where do potential delays in the process occur?
- how can delay be minimized, while still ensuring adequate study and review?

The central issue is how the Environmental Assessment Act can best be applied to Ontario Hydro planning. For example:

- should "need" be discussed in its broadest context; e.g., should Ontario Hydro be required to evaluate the alternative of "no project" by discussing load management and conservation potential?
- should procedures of the Environmental Assessment Act be expected to incorporate all stages of the decision process? (i.e., should environmental assessment be considered as "project-oriented" or as encompassing "system" aspects?)

II. Public Participation

Adequate involvement of the public is a crucial aspect of the decision-making framework. "Public participation" can be interpreted in several ways. The Consumers' Association of Canada (Ontario Branch) suggested in its submission that the term,

"Refers to any activity by any person or organization other than the Corporate Managers of the public corporation, that in a direct way, is aimed at taking part in or influencing the affairs and policies of the public corporation."

The Association further submitted that:

"Two broad classifications are possible -- the citizen as elector and the citizen as participant. Citizen participation accordingly is but one aspect of public participation."

It might therefore be noted that the "public" participates indirectly in Ontario Hydro decisions through electing government decision-makers and local utility commissioners. These, in turn, delegate certain responsibilities to civil servants and employees of publicly-owned agencies (such as Ontario Hydro). The public is also formally represented by those regulatory and review agencies which are charged with reporting on the relationship of corporate proposals to the "public interest".

Direct public involvement seems, however, to be an essential complement to the activities of government and its agencies in assuring that plans adequately meet the needs and wishes of the people. The process is essentially a two-way one: making sure that decision-makers are aware of the concerns and opinions of the

people and that the people, affected by decisions, are fully informed of the alternatives being considered and their implications.

The recognition that even "technical" planning decisions can have wider social implications is found in Ontario Hydro's view that:

"The function of public participation is to involve directly or indirectly those people who are willing to, or should, participate in the planning of man's work which may alter community fabric or influence change in the lifestyle of its citizens."

There is no statutory requirement that Ontario Hydro involve the public in its planning process. However, the Corporation acknowledges the need to bring the public into discussions of plans, despite the many inherent frustrations. One Ontario Hydro witness at the information hearings noted Task Force Hydro's words in 1972 which urged that efforts to involve the public in Ontario Hydro affairs be continued "while recognizing that procedures used will produce little in the way of positive results in the absence of widespread commitment to the principles involved and a response to the changing social environment by a majority of those responsible for Hydro's operations".

Since 1972 the amount of time and money used by the Ontario Hydro organization for "public participation" has increased. By the Corporation's count, approximately 100 people (and more as required) are involved in aspects of this work at Head Office and in the regions; work related to transmission line and generating station location being coordinated by the Route and Site Selection

Division and that associated with public hearings (such as the Ontario Energy Board reviews and those of this Commission) by the Rate and System Expansion Hearings Department.

A. The Nature of Public Participation

Involvement of the public in Ontario Hydro planning now takes a variety of forms, differing at different stages of the planning process: for example, participation in "working groups", "citizen committees", and public information meetings at the study stage; presentation of briefs at public hearings at the review stage; and comment on the review board's report at the approval stage. The nature of participation also differs within each phase: for example, within the study stage, depending on whether the discussion is "project" - or "policy" - oriented. (Ontario Hydro has indicated, for example, that "citizen committees" as used for the London Central Transformer Station and the North Channel Generating Station are intended to comprise a cross-section of community views on a specific project (after need for generation at the system level has been established), whereas "working groups" are associated less with specific projects or geographical areas than with issues of province-wide interest.)

Involvement of the public in ongoing policy development is less well-defined than that in planning for specific projects. Policies evolve under a variety of influences, including input to working groups, representations made at public reviews into both projects and broader policies, and representations to decision-makers. However, a formal "approval" step (either at the Corporate

or government level) does not necessarily occur following study and review of policies and principles. The outcome may, for example, be "more study". One basic issue of public participation is, therefore, whether direct public participation in the development of operational and/or public policy is necessary and useful.

In the past, direct public representation in the decision-making process has usually been in the form of external pressure on decision-makers by "public interest groups", formed on an ad hoc basis in response (usually in opposition) to specific projects. However, where issues are persistent or recurring -- as many are in electric power planning -- ongoing involvement of the same or similar groups may be possible. The nature of their participation may change as issues become acknowledged and addressed by decision-makers. (One example of an evolving process may be seen in the environmental area, where a small number of individuals and groups mobilized public awareness of problems -- for example, by books such as Rachel Carson's "Silent Spring" -- followed by accumulating public concern and the formation of many citizens' associations dealing with environmental issues, and the consequent response by government in providing bureaucratic mechanisms for environmental protection.) In the later stages of this evolution, public interest groups might perform a role which is less adversarial by becoming more active in the actual decision-making process. It is worth considering what the future roles of established interest groups could be in the electric power policy and planning fields. Should they, for example, be made "part of the solution" by being given more positions on the Ontario Hydro Board of Directors, review and regulatory boards and commissions?

There is a possibility, of course, that public interest groups do not truly mirror public opinion but represent only the most articulate (and well-funded) elements of the community. Dr. Omond Solandt noted in his report to the government, concerning the routing of the 500 kV Lennox-Oshawa transmission line, the danger that a special interest group could "short circuit the established mechanisms of democracy and achieve its own ends without the opposition ever being mobilized or heard". Therefore, consideration ought also be given to the question of how to involve the "general public" -- either directly, or indirectly through public opinion surveys or locally-elected officials -- in the processes of decision-making. A central issue is, therefore:

- who should represent the public in order to ensure that all points of view are fairly reflected?

A related problem of public participation is to ensure that the perspective is comprehensive. One facet is the relationship of local to provincial concerns: involvement in project planning may tend to highlight local self-interests to the detriment of the interest of the "broader" public. A second facet is how to expand the public's time horizon. Electric power facilities necessarily have a long lead time but public attention may not easily be captured early and maintained throughout the process of project planning. The individual may develop an interest in a project only when it threatens to affect his own property -- that is, at the later stages of the planning process. It is necessary to determine the appropriate means of involving the public at the early generalized stage and at later, more specific, stages. This involvement should attempt to accommodate the needs for continuity

in planning, community representation on broader considerations, and adequate representation for individuals. The issue might be thus expressed:

- how should the public be represented at different stages of the planning process?

This issue is closely related to the methods of selection of participants. A passive process (i.e., self-selection) with Ontario Hydro simply playing an informational role might tend to involve only strongly-motivated interest groups at early stages and personally-affected individuals and groups at later stages.

A second approach to selection which Ontario Hydro has used on an experimental basis is to draw participants in the study processes from existing community agencies and interest groups. (For example, in the London Central project, a committee formed by invitation is working on the identification and selection of a site for a new transformer station. Members of community groups were invited to join other representative interests - for example, Chamber of Commerce, PUC, City Council - as participants in the study.) This procedure can provide some continuity, and linkage to the community planning process. However, some groups have suggested that there is potential for Ontario Hydro to bias the outcome by its control of meetings and choice of participants. The major underlying issue is:

- who should run the "study" phase of planning of power facilities? (Ontario Hydro; Government(s); external consultants, etc.)

Other specific questions of procedure include:

- how should participants be chosen?
- what roles should the local media and local governments assume?
- what mechanisms for coordinating local study groups with regional groups are possible? (e.g., seminars, workshops)

B. Adequacy of Resources

The total "open planning" process was a subject of some discussion at the Commission's hearings. Availability of information is a necessary pre-condition to informed participation. Information includes not only data specific to particular plans, but also more basic general information on energy concerns and electric power planning. Ontario Hydro has outlined its policies on releasing information to the public. Government Ministries have also commented on the extent to which their studies related to electric power planning are available to and accessible to the public. The Commission itself has accumulated a great deal of information on energy in general and electric power planning in particular. It is worth considering the best means of making information available to those members of the public who would find it useful, and questioning if the present method of communication is both adequate and well coordinated.

It should be noted that the availability of planning data, though necessary, is not a sufficient condition for an open process. "Openness" implies not only access to information but also the ability to use it for informed comment. The general public's participation at hearings and meetings may be limited by resources of time and funding. Extensive contribution through-out

the planning process may require the accumulation of technical expertise. The basic issue might be stated as being: How adequate are the resources (human, financial, and informational) available to the public for participation?

Most public interest groups to date have been voluntary. However, where long-term participation is important and complex technical issues are involved a purely voluntary basis may not suffice. It is worth considering the best means of providing supplementary resources to groups outside government and the utilities. One method would be the funding of public interest groups. Few citizens' associations (with the exception of large organizations -- usually academic ones like the Royal Society of Canada) are now supported by government funding. The merits of financial aid to such associations on a continuing basis and/or for temporary specific purposes (research, intervention, etc.) should be discussed.

Through the Commission itself the provincial government has, for example, made funds available for background studies by public interest groups. Funding of intervenors at other public hearings (for example, at the Ontario Energy Board's review) would be another possibility. In the actual planning process, funds have been provided by Ontario Hydro to local groups so that they can hire independent consultants for community impact studies.

- if funds are provided, how should allocation to groups be decided? What conditions (if any) should be attached?

Another prospect is the linking together of individual groups with similar interests in order to strengthen their contribution

and facilitate a "provincial" over-view. During the Commission's hearings, groups with identical or closely related concerns (e.g., nuclear power, agriculture) have emerged. Means for communication among these groups and between these groups and the government and its planning agency is an important question. Some means which have been used by this Commission include symposia, workshops and funding of the Office of the Public Interest Coalition for Energy Planning. In this regard, supplementary resources other than financial ones (e.g., technical experts, legal counsel) might also be considered.

C. Adequacy of Forums for Public Involvement

Another major issue is: How adequate are the existing forums for public involvement? What future mechanisms can be suggested?

As already suggested, the review process must balance the need to reach timely decisions with the need to ensure "due process" to the individual citizen affected by plans. There are many avenues available for the individual to raise objections to Ontario Hydro plans. (Some of these are shown in Appendices #D-6 and D-9.) It is worth questioning whether these, on the one hand, provide for individual interests to be equitably represented and, on the other hand, reasonably serve the "public interest" by eliminating unnecessary repetition of individual appeal.

There are two basic types of channels for public involvement now existing. One is the informal consultation process undertaken by Ontario Hydro; the other, the public hearing by boards or

commissions appointed by the government. Each has strengths and weaknesses and may be suited to particular purposes, or to particular stages of the decision process.

Consultation and Joint Planning

One sort of channel for public involvement is the non-adversarial one: cooperative development and choice of alternatives. Ontario Hydro has experimented with a number of approaches to public participation in the study phase: public meetings, seminars, media publicity, communication with individuals by telephone and letter, citizen committees, working groups and other mechanisms. Ontario Hydro has stated that its route and site selection approach has evolved from an "informational" one towards "consultation" and "joint planning" -- stopping short, however, of delegating decision-making powers to the public. Ontario Hydro emphasized that the study phase, leading to a recommendation by the Corporation, should not be considered as the total decision-making process. The ultimate decision-making authority, vested in government, is usually based on both recommendations articulated during the study phase and dissenting public opinion (which can find further expression during a review by an independent tribunal appointed by government and/or in direct appeal to the Cabinet). By this interpretation, Ontario Hydro has suggested that the effectiveness of public involvement "should not be measured by public approval for the study but rather by the completeness of the opportunity for involvement and exchange of information".

Adequate involvement in the "study" process could minimize dissent founded on misunderstanding or inadequate information at later stages (i.e., at the "public hearing" and subsequent "approval" stages). However, even having participated, individuals may disagree with the outcome of the study and insist on further opportunity to present their views. (These opportunities may include not only the review of the project, but post-approval specific "hearings of necessity" on expropriation, and appeals through other means -- for example, to the Ombudsman or Cabinet.) It is therefore worth questioning the nature and extent of each stage of involvement:

- which of the available methods of participation are best for the study phase? How long should this phase last?
- How many avenues of individual appeal ought there to be?

The Public Hearing

Public hearings by a review agency may form part of the decision-making process. The composition of the review agency is itself a question: How should Boards and Commissions be constituted? (They might, for example, include "experts"; "near-experts", i.e., authorities in closely related fields with a demonstrated lack of bias in the specific problem at hand; and/or community or consumer representatives.)

The format of hearings or meetings is also important: quasi-judicial hearings may allow more intensive cross-examination of witnesses but may thereby obscure the more fundamental issues in technical and regulatory jargon. Sequencing of witnesses and the depth and breadth of information may also affect the ability of the

media and members of the general public to understand the issues. Means of reducing the quantity of information to its essential elements should be discussed.

Methods of procedure other than questioning of witnesses might be considered (for example, allowing exchange of ideas and opinions among experts by a "debate" format so that the public can develop informed opinion based on exposure to a diversity of expert views).

In general:

- how can the hearing mechanism be improved so as to facilitate public participation and public education?

D. Ongoing Involvement in Decision-Making

Although much of the discussion here has dwelt on the public's role in electric power planning, an underlying theme is the relationship of the public to social institutions. Many have pointed to the need to plan the electric power system with a view both to the total energy picture and to the relationship of energy to our future social requirements. At issue is the extent to which individuals should be able to understand the merits and drawbacks of technological development and contribute to ongoing "technology assessment". As this involves broader social questions, it might more properly be undertaken as part of integrated discussions of provincial planning, of which electricity supply is only one component. One basic question which should be asked:

- should the initiative in power planning within the framework of provincial planning be Ontario Hydro's or the Government's? i.e., should Ontario Hydro participate in government-organized planning or vice-versa?

Energy questions for the long-term are perhaps best dealt with at a community level and linked to the total planning process in order to avoid treating energy needs on a fragmentary "project" basis (rather than as essential components of social and economic life). In this regard, the fundamental issue which needs to be discussed:

- should the basic approach be from the "top-down" or from the "bottom-up"? i.e., what degree of emphasis should be on decentralized planning by municipalities and local utility commissions, as opposed to planning on a provincial scale by central authorities?

Irrespective of approach, mechanisms for coordinating local, regional and provincial concerns appear to be essential.

- what type of representation could provide a useful link between community-based decisions and energy policy concerns on a provincial level?

The overall issue, of course, is how to ensure the early, ongoing, informed participation by those who can usefully contribute both to the choice among alternatives and to the implementation of those choices. Unfortunately, more people are aware of energy problems during a "crisis" situation, such as occurred in many countries in 1973 and 1974. In the aftermath of that crisis, departments dealing with energy became a more visible component of governments, and widespread public concern at energy prices and availability was stimulated in many nations. (Many at the Commission's hearings have noted the example of Sweden, where

broad-ranging public debate on the country's energy future was encouraged with government support. Discussion groups drew in many thousands of citizens, and an advisory council provided a formal mechanism for liaison between citizens and the government.)

The questions which arise later, when the immediate crisis has abated, are how to "fine tune" the agencies which have been established to deal with energy problems, and how to maintain public concern, awareness, and the necessary commitment required to develop and implement the policies which relate to long-term energy provision. Dealing with chronic time-extended conditions is more difficult than meeting immediate crises.

A concentrated initial educational effort, with continuing communication would seem to be implied. In this regard:

- what ongoing mechanisms of communication and exchange of information on energy supply options; energy conservation possibilities; alternate technology and the impact on fellow citizens from continuous growth in consumption of electric power should be adopted?

APPENDICES

The attached appendices provide comments relating to the decision-making framework and public participation which were made at the Commission's Preliminary Public meetings and the Public Information Hearings; specific references to these topics in the transcripts and memoranda of the Public Information Hearings; and references to relevant Research and Background Papers prepared for the Commission. Appendix D contains supplementary information on decision making processes and structures associated with electric power planning. More detailed information on the decision-making framework and public participation is contained in the transcripts, memoranda, submissions and research documents which are available in the Commission's Information Centre, 14 Carlton Street, Toronto, Ontario, M5B 1K5, and in the Regional Depositories located in the Main Libraries in Thunder Bay, Sudbury, London and Ottawa.

Some References to
Decision-Making Framework and
Public Participation in Ontario Hydro
Made During the Preliminary Public Meetings

"I believe the siting of generating stations and transmission corridors is best left to the engineers who are required to provide alternate routes and sites and the economies of each selection."

S 24

"Yesterday in the Globe and Mail, David Drinkwalter, chief economist at Ontario Hydro stated: "We don't use models for anticipating demand load because of potential structural changes in the economy, such as a shortage of raw materials or more mass transit, so we go by a trend line which balances out over time". This is really policy by default, and one of the key questions this Commission will have to consider is whether policy-making is to continue in this vein or a much more directed, public-influenced type of policy-making will take hold ... Hence policy is goal directed not trend driven."

S 102

"Thus, if asked, "What do you want?", the natural answer is, "An uninterrupted supply of cheap or free power, available on demand, with no restrictions on use, and with no potential damage to our environment". Since this dream world response does not assist in any practical way in defining future required facilities, the question must be altered to something like, "Among the following alternative choices, taking into account the associated limitations in each case, which is your most acceptable choice, and the reasons for your choice, on a personal or group basis, also as it affects society generally, and with consideration for the needs of future generations".

S 148

"Energy planning should be done on a nation wide basis not province by province. This would prevent provinces from working at cross purposes to get energy to their people and possibly make it cheaper to the public as consumers and tax payers."

S 110

"But please! When Hydro at some considerable effort and expense convinces these knowledgeable people of the validity of their case. -- Please accept the Energy Board report without referring it to yet another Select Committee."

S 42

"The engineering rationale must form the major part of any of the decisions regarding the route and the cost."

p.161 V 21

"To reiterate, both the total quality of energy made available to a society and the individual concentrations, must be limited to quanta which enable human and individual values to be retained in organizations and in industry. What these quanta are will vary from case to case, but any intelligent man or woman can judge when a combination of energy, technology and organization, begins to have a dehumanizing and ecologically destructive effect.

In the author's view, the LDC's current energy philosophy is closer to that of a global philosophy simply because they have only been able to supply bare necessity to date. It is much easier to erect a suitable new energy system and structure on an undeveloped and largely non-existent base than it is to change a highly developed concentrated system of energy production and supply, with colossal established investment and vested interests. It is the case of the camel and the eye of the needle."

S 115

"Technical goals have tended to prevail at the expense of social goals and processes. Repeatedly, we are being asked to accept a load growth of up to 7% without questioning whether a new generation capacity is required. It is unrealistic to the user that the goals are so narrowly defined; and emanating from that, often the only choice left is the selection of one of a few possible sites that already have been identified by Ontario Hydro."

S 173

"...all levels of government must provide responsible leadership in developing and implementing energy policy.

Such action by governments is essential considering, in particular, the imminent imbalance between domestic petroleum and natural gas supply and demand, the rapidly rising costs of these fuels and the critical scarcity of capital. We therefore recommend that all levels of government develop and issue clear public statements on their energy policies with reference to;

- Level of demand
- Adequacy of supply at reasonable cost
- Efficiency of energy utilization.
- Protection of the environment and public health."

S 90

"Hydro's mandate, "Energy at Cost" is no longer realistic for the future. It will promote an emphasis upon an energy-intensive, consumer-oriented industrial society rather than a shift to a service-oriented economy. We require an energy growth concept analogous to that of organic growth and in contrast to that of undifferentiated (exponential) growth. In this area of growth we have to replace the axiom, "More is Better," with the more conservative ethic, "Enough is Best"."

S 22

"The Commission should study ways in which the provincial government or an independent Board such as the Ontario Energy Board can prepare an energy forecast which could then be accepted by Ontario Hydro as a basis for its planning. The total energy forecast, and within this the electricity demand, would be consistent with economic targets and policies, regional policies, policies on the use of specific fuels, etc."

S 87

"Since environmental threats and ecological pollution do not respect political boundaries there is a similar need for a national environment policy - one that will involve federal, provincial, municipal and, indeed, even international interaction."

S 71

"Ontario Hydro must become more active in the regular planning process of provincial, regional and local planning agencies and when commenting on official plans under review by the Ministry of Housing it should reveal its planning programs which will affect the land use within the area concerned. It must become more actively involved in explaining to local, regional and provincial planning agencies its assessment of power needs as well as actively participating in the preparation of land use documents such as official plans."

S 195

Appendix B-1

Partial List of References to the Decision-Making Framework and Public Participation in Ontario Hydro Made During the Public Information Hearings

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9. Guidelines and Criteria for Water Quality Management in Ontario.
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12. Site Selection Study Guidelines for Thermal and Related Impacts of Proposed Electrical Generating Stations - Water Resources Aspects - Great Lakes.
13. Effluent Guidelines for Water Heat Discharge to the

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14. Environmental Design Considerations for Ontario Mining Operations, 1976.
15. (Draft) Environmental Assessment Guidelines for a Potential Generation Station in the North Channel Area.
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- 1-3 Public Notice used for Prince Edward County Study

Topic #4: Energy Utilization

- Exhibit # 4-3 Chart of Reporting Relationships for Ontario Hydro as a whole.
- 4-4 Chart of Reporting Relationships; the Corporate Office: The Board of Directors.

Topic #7: Socio-Economic Factors

- Exhibit # 7-3 Booklet "Acquiring Land for High-Voltage Transmission Lines".

Topic #8: Provincial Development & Land Use Factors

- Exhibit # 8-2 Atomic Energy Control Board Siting Guidelines.
- 8-3 Contingency Plan.
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- 8-6 Main Components of Provincial Planning System.

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- Exhibit # 9-1 Organization Chart of OMAF.
- 9-2 A Policy Position Paper entitled "Strategy for Ontario Farm Land".

Topic #11: Ministry of Health

- Exhibit # 11-2 Contingency Plan for Pickering
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- Exhibit # 12-11 Ministry of the Environment Contingency Plan
- 12-15 Position Paper
- 12-17 Exchange of letters regarding the Lake Huron Thermal Plants in the vicinity of Bruce
- 12-20 Site Guidelines referred to by Dr. Ian McTaggart-Cowan
- 12-21 Document from Ministry of the Environment showing the concept of Management by Results
- 12-22 Program Approval Document, dated August 18, 1972

Topic #13: Ministry of Energy

- Exhibit # 13-4 Ministry of Energy compilation of background data on the Energy Management Programme together with a cover sheet
- 13-5 Booklet published by the Ministry of Education entitled Energy Conservation for Schools
- 13-6 Ontario Energy Corporation, Annual Report 1975
- 13-7 Ontario Hydro Annual Report, 1975
- 13-8 Charts referred to by Dr. Ian Rowe respecting the Energy Management Programme

Topic #14: Ministry of Natural Resources

- Exhibit # 14-2 An extract from Working Group Project 23, Upper Lake Working Group, International Joint Commission

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Exhibit # 15-1 Photograph of the Energy Management Bus

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Exhibit # 19-1 1976 Load Forecast by Ontario Hydro
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19-2 Hydro Board of Directors Minutes dated
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- Memo of March 5, 1976
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24-3 Article from "Energy Management" April 1975,
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24-5 Article from "Energy Management" February 1976,
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24-6 Booklet "Energy Conservation for Schools"

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32-5 Agreement respecting Great Lakes Quality between
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Topic #37: Ontario Institute of Agrologists

Exhibit # 37-1 Norman Pearson's Study - "Foodland and Energy Planning" Volumes I and II

Topic #38: Energy Probe

Exhibit # 38-1 Document entitled Investment Planning in the Energy Sector, by Kahn, Davidson, Makhijani, Ceasar and Berman, dated March 1, 1976

38-5 Booklet reprint from Foreign Affairs entitled Energy Strategy: The Road Not Taken?, by Amory B. Lovins

Topic #44: Ontario Electrical League

Exhibit # 44-1 Interdisciplinary Teachers Guides, 8 Books

Topic #45: Food Land Steering Committee

Exhibit # 45-1 Volume 1 of a Research Report by Norman Pearson August 1976

45-2 Volume 2 of a Research Report by Norman Pearson September 1976

Topic #53: Science Council of Canada

Exhibit # 53-1 Science Council of Canada, Annual Report, 1975-76

53-2 Science Council of Canada, Report #23 dated March 1975 entitled Canada's Energy Opportunities

53-3 Science Council of Canada, Report #25 dated July 1976 entitled Population, Technology and Resources

Topic: Symposium on 'Ontario's Electrical Future'

B. Greer-Wotten Perception of risk by the public

Appendix C

Papers Funded by the Commission

Background Papers

C. A. Hooker	The Socio-Economic Significance of Electric Power Planning
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RCEPP Research Studies

Semper Paratus Ltd.	A Study of Awareness, Attitudes and Future Expectations of Ontario Residents Regarding the Supply and Use of Electrical Energy.
J. O. Dean	The Role of Ontario Hydro as an Economic Development Tool of the Province.
C. A. Hooker	A Preliminary Study of the Conceptual and Institutional Structure of Energy Policy Making in Ontario and its Policy Alternatives.
E. Pickett	An Impact Survey of Communities Adjacent to Recent Ontario Hydro Developments.

Public Funding

Food Land Steering Committee

Research Includes

- land use plan for province
- re-examination of Ontario Hydro's
mandate

Christian Farmers Federation of Ontario

Research Includes

- Hydro procedures

Dr. C. Lloyd Brown-John

Research Includes

- investigating the concept and role of Policy Advisory Councils in the policy process

Consumers' Association of Canada

Research Includes

- studying public participation

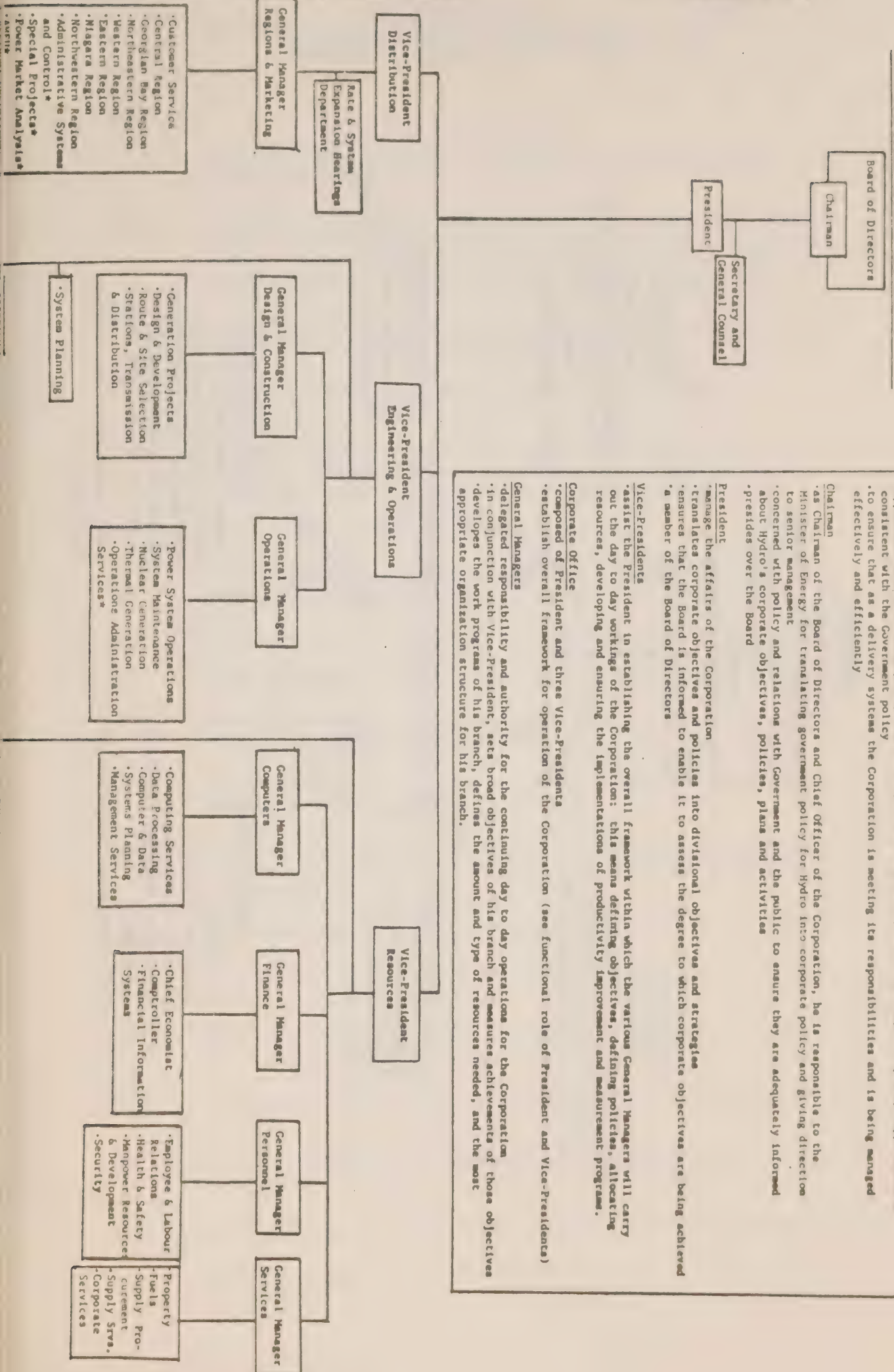
Public Interest Coalition on Energy Planning

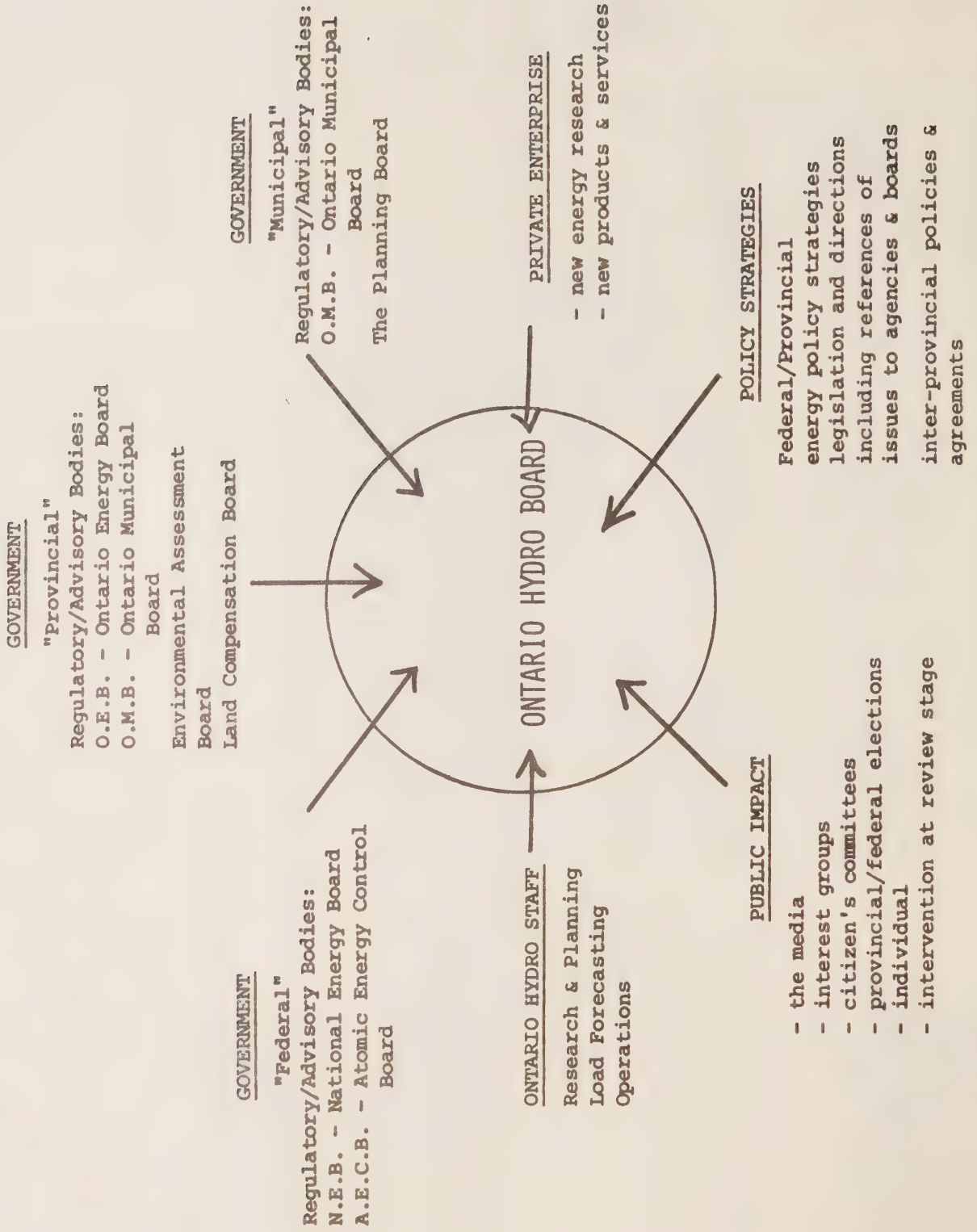
To provide a continuous and balanced flow of information to the public in 1976-77 on energy-related matters so as to involve the public in planning concerns, RCEPP funded a public interest office entitled the Public Interest Coalition on Energy Planning

APPENDIX D

- D-1 Organization Chart of the Ontario Government
- D-2 Organization Chart of Ontario Hydro
- D-3 Range of Impact on Ontario Hydro Decision-Making Process
- D-4 Selected Examples of Approvals of Lieutenant Governor in Council Required by the Power Corporation Act
- D-5 Selected Examples of Duties and Responsibilities of the Ontario Hydro Board of Directors
- D-6 Excerpts from Major Legislation Affecting Ontario Hydro Decisions Showing channels for citizen participation
- D-7 Mandates of Review and Regulatory Boards Associated with Ontario Hydro Decisions
- D-8 Basic Flow Diagram of the Environmental Assessment Act, 1975
- D-9 Approvals Procedures and Expropriations Procedures

ORGANIZATION CHART OF BOARD OF DIRECTORS, CORPORATE OFFICE, EXECUTIVE, DIVISIONS AND DEPARTMENTS WITH DIRECT REPORTING RELATIONSHIPS





Appendix D-4

SELECTED EXAMPLES OF
APPROVALS OF LIEUTENANT GOVERNOR IN COUNCIL (LGIC)
REQUIRED BY POWER CORPORATION ACT

Sections

- 3 LGIC must appoint Hydro's chairman and directors and set their remuneration.
- 24 LGIC must approve all Hydro projects, including acquisitions of land, water rights, works and other property; construction (except minor repairs to existing structures); expropriation; lease or operation of power works owned by others, etc.
- 35(2) LGIC may appoint a board of valuation to fix compensation for expropriation in case of dispute.
- 35(4) LGIC may designate a judge to hear appeals from a board of valuation.
- 41 LGIC may appoint a judge at a prescribed remuneration to apportion the cost of any improvements to a body of water among all owners of power sites benefiting therefrom.
- 48 LGIC may borrow money and loan it to Hydro.
- 49 LGIC may authorize payment to Hydro of monies voted by the Legislature for its use.
- 54 LGIC must approve all Hydro borrowing by issue of securities.
- 55 LGIC may guarantee the securities issued by Hydro.
- 56 LGIC may guarantee the performance by Hydro of any obligations related to a share acquisition.
- 57 LGIC must approve all bank and other temporary loans and may guarantee their repayment.
- 59(2) LGIC must approve the manufacture of machinery and equipment related to the provision of power when Hydro do their own manufacturing.
- 59(4) LGIC must approve research and development related to power.
- 61 LGIC must approve the use for other purposes of unused power works.
- 62 LGIC must approve the form of contracts for supply of power from Ontario Hydro to municipal utilities.
- 65(2) LGIC may direct an inquiry to ascertain rights in case of a dispute over a municipal power franchise.
- 70 LGIC must approve all contracts for the sale of power other than to municipalities or the rural power district.
- 84(1) LGIC must approve distribution by Hydro in rural townships.
- 94(1) LGIC must approve Hydro safety regulations.

Selected Examples of
Duties and Responsibilities of
The Ontario Hydro Board of Directors*

1. To translate Government policy for Hydro into Corporate policy, thereby giving direction to senior management;
2. To appoint and fix the remuneration of the President, Vice-Presidents and other Officers of the Hydro Corporation;
3. To approve the policies for allocation of the cost of power and rate structures for both wholesale and retail sectors;
4. To approve the annual operating and capital budgets of the Corporation;
5. To approve the long-range strategic corporate plans;
6. To approve specific major capital expenditures and contracts;
7. To approve terms and conditions which are to apply to contracts between the Hydro Corporation and the distribution utilities;
8. To ensure that the policies and plans approved by the Board are being carried out satisfactorily, relative to pre-determined standards and time and cost targets;
9. To ensure that all interested parties, including the public are fully informed of the Corporation policies, plans, objectives and activities;
10. To establish with the Government a formal contract setting out the expectations of each party and specifying the purpose and role of Hydro. (not implemented)

* As proposed by Task Force Hydro, and listed in the submission of the Ministry of Energy to the Royal Commission on Electric Power Planning, July 1976.

Excerpts from Major Legislation
Affecting Ontario Hydro Decisions
Showing Channels For
Citizen Participation

(Intended as examples only; for further details and exact wording refer to statutes)

I The Planning Act

Ontario Hydro must conform to the provisions of the Planning Act in the planning and construction of its facilities. Municipalities must be contacted to ensure compliance of Hydro's expansion plans with the Official Plan and Restricted Area By-Laws of a Municipality as approved in accordance with the Planning Act. Where a Restricted Area By-Law conflicts with an Ontario Hydro proposal for location of facilities and an amendment is not acceptable to the Municipality, Ontario Hydro presents its case to the Ontario Municipal Board.

The Procedure

The Individual Recourse

(a) formulating the official plan

(a) direct participation

Section 12 - every Planning Board shall "hold public meetings and publish information for the purpose of obtaining the participation and cooperation of the inhabitants"

attendance at public meetings

"consult with any local board having jurisdiction within the planning area"

(b) recommendation to council

(b) amendment to the plan

Section 12 - a majority vote of all members of the planning board is required to approve the plan for submission to council

Section 17 - where any person requests the council to initiate an amendment to the official plan and council;

i) refuses to propose the amendment

ii) fails to propose the amendment within 30 days from receipt of request;

such person may request the Minister to refer the proposal to the Ontario Municipal Board (O.M.B.)

Section 23 - a municipality may enter into agreement with any government authority or agency for the carrying out of studies relating to the physical condition of the municipality

Section 13 - the council may adopt the plan by by-law

The Procedure

(c) submission to minister

Section 14 - upon adoption, the plan shall be submitted by the council to the minister

- the minister may refer the plan to any department of the public service and to The Hydro Electric Power Commission

- if modifications appear desirable, the minister shall settle such modifications

- the minister may then approve the plan whereupon it is the official plan

(d) Plan of Subdivision

Section 33 - in considering a draft plan of subdivision, the minister shall have regard to, among other matters;

- i) whether the plan conforms to the Official Plan
- ii) the suitability of the land for the purposes for which it is to be subdivided
- iii) conservation of natural resources
- iv) the adequacy of utilities and municipal services

The Individual Recourse

(c) appeals to the Ontario Municipal Board (O.M.B.)

Section 15 - where any person requests the minister to refer any part of the plan to the O.M.B. the minister shall refer such part to the O.M.B. unless in the opinion of the minister such request is not made in good faith or is made only for purpose of delay

II Ontario Municipal Board Act

The Ontario Municipal Board Act specifies the duties of the O.M.B. which in general relate to municipal planning (e.g., approval of by-laws, capital expenditures and borrowing).

(a) References to the O.M.B.

Section 40 - the Board may, of its own motion, inquire into matters under its jurisdiction or determine upon application or complaint

Section 44 - the Lieutenant Governor may at any time refer to the Board for a report or action on any matter arising in respect of a municipality, railway or public utility subject to the Board's jurisdiction

(a) Attendance at O.M.B. hearings

Section 23 - sittings of the Board may be either private or open to the public but any complaint shall, on application of any party, be publicly heard

The Procedure(b) Public Regulations

Section 82 - any regulation, order or decision of the O.M.B. when published by the Board for 3 weeks in 'The Ontario Gazette' has like effect as if enacted in the Ontario Municipal Board Act

Section 85 - a certified copy of any decision may be filed in the Office of Registrar of the Supreme Court and is enforceable as a judgement of the Supreme Court

The Individual Recourse(b) Insufficient notification of hearing

Section 84 - any person entitled to notice of any hearing of the Board or application to the Board but not sufficiently notified may, within 10 days, apply to the O.M.B. to vary, amend or rescind the decision and the Board shall hear the application and determine it

III The Ontario Energy Board Act

Under the Ontario Energy Board Act, all wholesale power rate changes proposed by Ontario Hydro must be referred to the Ontario Energy Board for review. In addition, any matter in any way affecting or related to rates or charges including principles of power costing, rate-making, financing, system expansion, operations and service reliability may be referred to the Ontario Energy Board.

(a) References

Section 37 - the Lieutenant Governor in Council may require the Ontario Energy Board to examine and report on any question respecting energy that, in the opinion of the Lieutenant Governor, requires a public hearing

- where Ontario Hydro proposes rate changes it must submit the proposal and the Minister shall refer the proposal to the Ontario Energy Board

- the Minister at any time may refer to the O.E.B.:

- i) any existing or proposed rates
- ii) any matter in any way affecting or related to rates
- iii) the principles used by or appropriate for use by Ontario Hydro in its power to approve, determine or fix rates

The Procedure

(b) Hearing

Section 37(4) - The Board shall hold a public hearing to investigate and examine matters referred to it

(c) Reporting

Section 37(9) - an interim or final report shall contain a summary of information presented, and views expressed at the hearing and the O.E.B. opinion with reasons; and a copy of the report shall be submitted to Ontario Hydro

Section 9 - the Board shall make a report annually to the Minister containing such information the Minister may require

- the Minister shall submit the report to the Lieutenant Governor and lay the report before Assembly

The Individual Recourse

(b) Hearing

Section 37(7) - The board may give directions as to nature and extent of interventions by persons interested in a matter that is to be the subject of a public hearing and may set aside for future examination any issue that in its opinion requires a prolonged examination

Section 37(8) - The Board may appoint from among a class of retail customers of Ontario Hydro having, in the opinion of the Board, a common interest, a person to represent that class at the hearing where it appears to the Board that the appointment should be made

(c) Distribution of reports

Section 37 - upon delivery of report the Board shall make reasonable arrangements for the inspection or purchase of copies of the report by the public

IV The Environmental Assessment Act

All major future undertakings of Ontario Hydro will be subject to the provisions of the Environmental Assessment Act. (See also, Appendices D-8 and D-9)

The Procedure(a) Environmental Assessment

Section 5 - the proponent of an undertaking to which this Act applies shall submit to the Minister an environmental assessment including a description of:

- the purpose of the undertaking
- the rationale for
 - i) the undertaking
 - ii) alternative methods of carrying out the undertaking
 - iii) alternatives to the undertaking
- the environment that will be affected by undertaking and alternatives
- the effects that will be caused by undertaking and alternatives
- actions necessary to prevent or mitigate the effects of undertaking and alternatives
- evaluation of advantages and disadvantages to the environment of undertaking and alternatives

Section 7 - the Minister shall

- i) cause a review of the assessment to be prepared
- ii) and shall give notice of
 - the receipt of the assessment,
 - the completion of the preparation of the review,
 - the place or places where the assessment and review may be inspected

Sections 11 and 12 - the Minister in determining whether to accept/ or amend-and-accept an assessment may:

- i) require the proponent to carry out research
- ii) require the Environmental Assessment Board to hold a hearing

The Individual Recourse(a) Inspection of an assessment

Section 7 - any person may inspect an assessment and the review thereof and within 30 days:

- i) make written submission
- ii) by written notice to the Minister require a hearing by the Environmental Assessment Board

The Procedure

(b) Where a hearing is not required

Sections 9 and 10 - where a hearing is not required the Minister shall give notice of the acceptance or the amendment-and-acceptance of the environmental assessment to the proponent and to any person who has made written submission

(c) Where a hearing is required

Section 18 - the Board shall give a copy of its decision, together with written reasons, to the Minister, to the parties of the hearing, and to the clerk of each municipality in which the undertaking is being carried out

Section 24 - within 28 days of receipt by the Minister of a decision of the Environmental Assessment Board, the Cabinet may:

- vary the whole or part
- substitute for the decision
- require a new hearing

The Individual Recourse

(b) Notification of amendment

Section 12 - Minister must give notice of intention to amend a assessment and the proponent or a person who has previously made a written submission may within 15 days, by written submission require a hearing

(c) Parties to the proceedings

Section 18 - the Environmental Assessment Board may appoint a representative among a class of parties to the proceedings (but any other member for which such appointment was made may - with consent of Board - take part in the proceedings)

V

The Expropriations Act

Where Ontario Hydro plans require the use of public or private properties, the necessary property rights are acquired by Ontario Hydro and the owners compensated. Procedures under the Expropriation Act are applied to these actions, with all rights guaranteed by the Act thereby extended to all owners. These include procedures of the Hearing of Inquiry, the Board of Negotiation, and the Land Compensation Board (See also Appendix D-9).

(a) Notice of intention to expropriate

Section 4 - expropriating authority shall not expropriate land without approval of approving authority

Section 5 - where an expropriation is made under The Power Commission Act the approving authority shall be Minister of Energy

(a) Notification for hearing

Section 6 - any owner of lands, in respect of which expropriation notice is given who desires a hearing shall notify the approving authority in writing 30 days after the first publication of the notice

N.B. Order dispensing with inquiry

The Procedure

(a) Notice of intention to expropriate (Cont'd)

Section 6 - an expropriating authority shall serve notice of its application for approval to expropriate upon each registered owner of the lands and publish the notice once a week for 3 weeks in the local newspaper

(b) The Hearing

Section 7 - the Minister of Justice and Attorney General appoints the chief inquiry officer

- at least 5 days before the hearing the expropriating authority serves upon each party a notice indicating the grounds upon which it intends to rely at the hearing, and makes all documents available

(c) Power of the Approving Authority (Minister of Energy)

Section 8 - upon considering the report of the inquiry officer containing the summary of evidence and arguments of the hearings as well as the officer's opinion on the merits of the expropriation application - the Minister may:

- approve
 - amend and approve
 - or, not approve
- within 90 days of receiving the report of the inquiry officer the Ministry shall give written reasons for its decision and inform all parties

The Individual Recourse

(a) Notification for hearing (Cont'd)

Section 6 - the Lieutenant Governor in Council may, in special circumstances, direct that an intended expropriation proceed without the inquiry procedure

(b) Participation in the Hearing

Section 7 - each owner who notifies the approving authority that he desires a hearing, is a party to the inquiry

The Procedure

(d) Registration of Plan

Section 9 - where a proposed expropriation has been approved, the expropriating authority must, within 3 months, register a plan of the land in the proper registry

(e) Compensation

Section 30 - the Expropriations Board shall determine any compensation in respect of which notice of arbitration has been served upon it

(f) Report to the Legislature

Section 5 - the Minister of Justice/Attorney General within 30 days commencement of each session of Legislative Assembly lay before Assembly a copy of each order of expropriation not previously laid before Assembly

The Individual Recourse

(d) Assessment of compensation

Section 10 - the owner of the land may, within 30 days after the date of registration, by notice in writing to the expropriating authority elect to have the compensation assessed

(e) Agreement upon compensation

Section 26 - where the statutory authority and the owner have not agreed upon compensation

- i) either may serve notice of negotiation
- ii) where both have agreed to dispense with negotiation proceedings either may serve notice upon the other and The Expropriations Board to have compensation determined by arbitration

Section 29 - at least 15 days before hearing any party shall serve on all others any appraisal report upon which it intends to rely at the hearing

VI The National Energy Board Act

The advisory functions of the National Energy Board entailed in both its review of, and recommendations on energy and sources of energy within and outside Canada provide a source of information on which projections of future energy supply can be based. In addition, the Board may make recommendations to the Minister regarding desirable arrangements for cooperation with governmental or other agencies in or outside Canada.

VI The National Energy Board Act (Cont'd)

With respect to operational matters application must be made to the Board for the construction and operation of international power lines and licences to export power. Where such application has been made by a utility from another province Ontario Hydro or the Ministry of Energy of Ontario may intervene.

The Procedure(a) advisory functions

Section 22 - (1) the Board must keep under review matters relating to the exploration for, production, recovery, manufacture, processing transmission, transportation, distribution, sale, purchase, exchange and disposal of energy and sources of energy within and outside Canada ... and recommend to the Minister measures it considers necessary or advisable for the control, supervision, use, marketing and development of energy and sources of energy

(2) at the request of the Minister the Board shall prepare studies and reports on any matter relating to energy or sources of energy and shall recommend to the Minister the making of such arrangements as it considers desirable for cooperation with government or other agencies in or outside Canada

(b) certificates of public convenience and necessity

Section 40 - no person shall begin the construction of any international power line unless the Board, by issue of a certificate, authorized the construction

Section 42 - the Board may, with approval of the Governor in Council make regulations respecting the location of international power lines ... changes in international lines and the diversion of international power lines

The Individual Recourse(a) advisory functions

Section 23 - Studies and reports of the Board may be made public with the approval of the Minister

(b) certificates of public convenience and necessity

Section 45 - upon an application for a certificate the Board shall consider the objections of any interested person, and the decision of the Board as to whether a person is or is not an interested person is conclusive

The Procedure

The Individual Recourse

(c) exports and imports

Section 82 - subject to the regulations, the Board may issue licences:

- for the exportation of power

Section 85 - the Governor in Council may make regulations ... respecting

- information to be furnished by applicants
- the duration of licences ...

(d) report to parliament

Section 91 - the Board shall ... each year submit to the Minister a report on the activities of the Board and the Minister ... shall cause the report to be laid before parliament

VII Atomic Energy Control Act

Ontario Hydro's nuclear programme is subject to the Board's regulations for developing, controlling, supervising and licensing the production, application and use of atomic energy. Further, the Board makes regulations respecting mining and prospecting for prescribed substances (including uranium, thorium, plutonium, deuterium and their derivatives) their production, transportation, refining, use or sale, import or export. Provisions of the Act with respect to research, and information availability are also of significance.

(a) Information

Section 8 - the Board may ...

(d) with the approval of the Minister, disseminate information relating to atomic energy to such extent as the Board may deem to be in the public interest

Section 9 - the Board may, with the approval of the Governor in Council make regulations ... (e) for the purpose of keeping secret information respecting the production, use and application of, and research and investigations with respect to atomic energy as in the opinion of the Board the public interest may require

The Procedure

The Individual Recourse

(b) research and development

Section 8 - the Board may establish through the National Research Council of Canada or otherwise, scholarships and grants in aid for research with respect to atomic energy

Section 9 - the Board may with approval of the Governor in Council make regulations ... (a) for encouraging and facilitating research with respect to atomic energy

(c) the production of atomic energy

Section 9 - the Board may with approval of the Governor in Council make regulations ... (b) for developing controlling, supervising and licensing the production, application and use of atomic energy

(d) resource development

Section 9 - the Board may with approval of the Governor in Council make regulations ... (c) respecting mining and prospecting for prescribed substances ... (d) regulating the production, import, export, transportation, refining, possession, ownership, use or sale of prescribed substances ...

(e) powers of the Minister

Section 10 - the Minister may

- a) cause to be undertaken research and investigation with respect to atomic energy
- b) with the approval of the Governor in Council utilize, cause to be utilized and prepare for the utilization of atomic energy
- c) cause to be acquired ... prescribed substances and any mines, deposits or claims of prescribed substances and patent rights relating to atomic energy ...
- d) license or otherwise make available ... discoveries, inventions and improvements in processes, apparatus or machines ...

The Procedure

The Individual Recourse

(f) report to parliament

Section 20 - the Board shall submit to the Minister an annual report ... and the Minister shall lay the report before Parliament...

VIII Other Legislation Affecting Ontario Hydro

Ministerial Responsibility

Legislation

Environment

- Environmental Protection Act
- Ontario Water Resources Act
- Pesticides Act

Natural Resources

- Lakes and Rivers Improvement Act
- Conservation Authorities Act
- Public Lands Act
- Beds of Navigable Waters Act
- Provincial Parks Act
- Niagara Parks Act
- Crown Timber Act
- Beach Protection Act
- Mining Act

T.E.I.G.A.

- Financial Administration Act
- Local Improvement Act
- Municipal Act
- Municipal Affairs Act
- Municipal Franchises Act
- Public Utilities Act
- Ontario Planning and Development Act
- Parkway Belt Planning and Development Act

Labour

- Construction Safety Act
- Industrial Safety Act
- Labour Relations Act

Attorney-General

- Expropriations Act

Transportation and
Communication

- Public Service Works
on Highways Act

Office of the Assembly

- Ombudsman Act

Revenue

- Assessment Act

VIII Other Legislation Affecting Ontario Hydro (Cont'd)Ministerial ResponsibilityLegislation

Government Services

- Ministry of Government
Services ActProvincial Secretary for
Resources Development- Niagara Escarpment Planning
and Development Act(From Ministry of Energy submission to the Royal Commission
July, 1976)

MANDATES OF REVIEW AND REGULATORY BOARDSASSOCIATED WITH ONTARIO HYDRO DECISIONS

(Examples only; for details, refer to statutes)

<u>Board</u>	<u>Statutory Authority/ Reporting Relationship</u>	<u>Examples of Duties</u>
<u>National Energy Board</u>	National Energy Board Act Minister of Energy, Mines and Resources (Federal)	<ul style="list-style-type: none"> - broad advisory function: to keep under review matters over which Parliament has jurisdiction relating to exploration, production, transmission, sale, purchase, etc., of energy and sources of energy within and outside Canada - in electric power sector: issues licences for power exports, and certificates for the construction and operation of international power lines
<u>Atomic Energy Control Board</u>	Atomic Energy Act Minister of Energy, Mines and Resources (Federal)	<ul style="list-style-type: none"> - to encourage and facilitate research and investigation with respect to atomic energy - to develop, control, supervise, and license the production, application and use of atomic energy - make regulations for the mining and prospecting for prescribed substances - regulate the production, import, export, transportatic refining, possession, ownership, use or sale of substances
<u>Ontario Energy Board</u>	Ontario Energy Board Act Minister of Energy (Ontario)	<ul style="list-style-type: none"> - to review any proposed rates or charges of Ontario Hydro to its customers and to examine any matter in any way affecting or related to rates or charges

by Ontario Hydro to its customers including principles and practices respecting power costing, rate-making, financing, system expansion, operations and service reliability, referred to it by the Minister

Environmental
Assessment Board

Environmental
Assessment Act
Minister of the
Environment

- where notified by the Minister holds hearings with respect to the acceptance of the environmental assessment of an undertaking and/or whether approval to proceed with an undertaking should be given, given with modifications, or denied

Planning Boards

The Planning Act
Minister of Housing

- an "Official Plan" is a program and policy covering a planning area and designed to secure the health, safety, convenience or welfare of the inhabitants of the area
- The Planning Board, appointed by a municipal council, investigates, surveys and prepares plan for approval by the municipal council and ultimate submission to the Minister of Housing for approval
- The Minister of Housing defines the scope and general purpose of an official plan for the area taking into regard, among other things, the requirements for drainage, land use, communications and public services

Land Compensation
Board

Expropriations Act
Minister of Energy
(for expropriations
under the Power
Corporations Act)

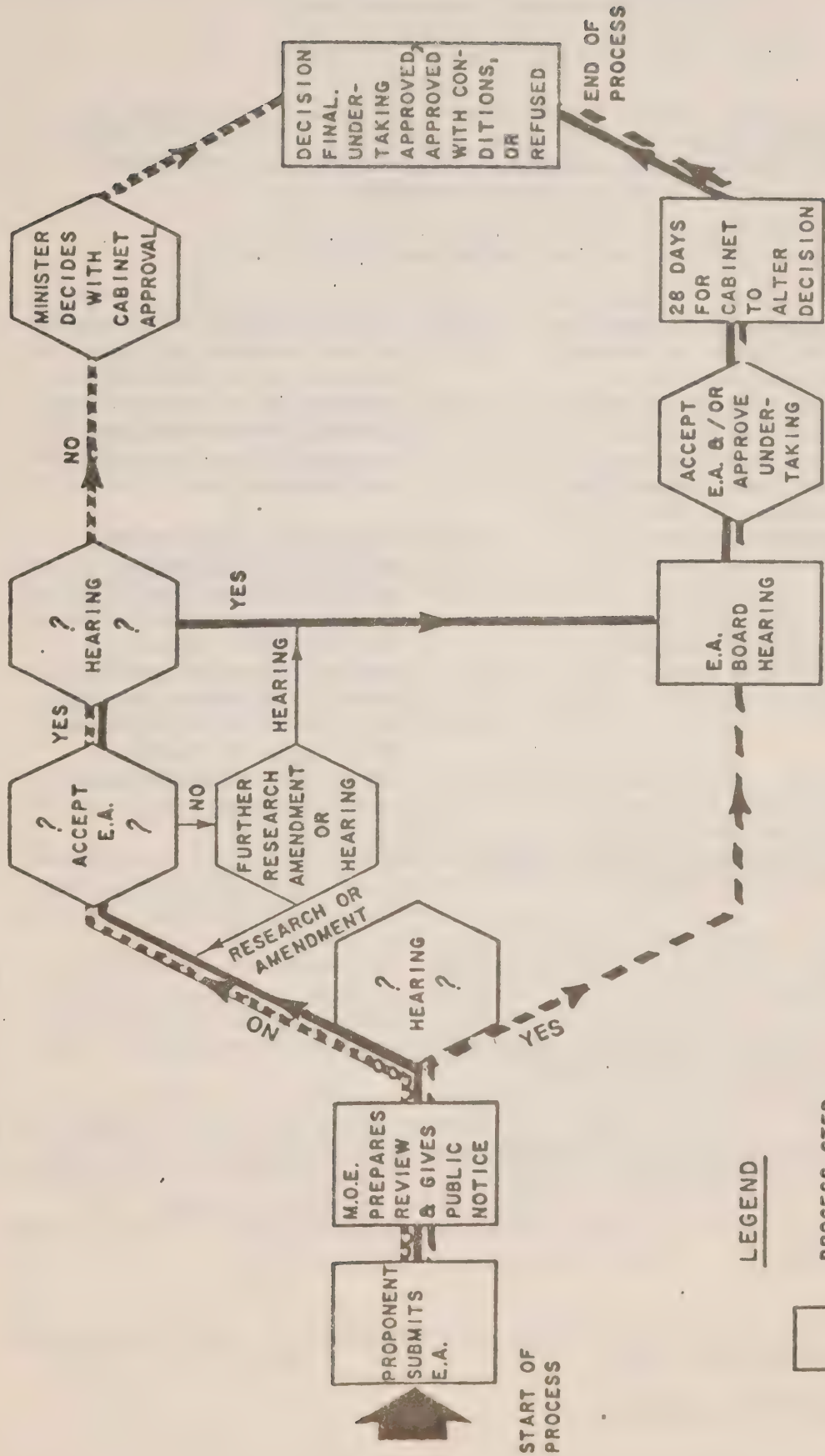
- the Land Compensation Board determines any compensation on lands being expropriated where notice of arbitration has been served upon it by either the statutory authority or the owner where no settlement of compensation was reached by negotiation

The Ontario
Municipal Board

Ontario Municipal
Board Act
Attorney-General

- general jurisdiction over municipalities, including: approving borrowings of municipalities, approving certain municipal by-laws, authorizing the issue of debentures by a municipality, supervising certain expenditures of municipalities as specified in the Act.
- jurisdiction over some local utilities not including Ontario Hydro

BASIC FLOW DIAGRAM OF THE ENVIRONMENTAL ASSESSMENT ACT 1975



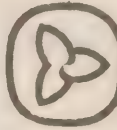
LEGEND



PROCESS STEP



DECISION POINT



Ministry
of the
Environment
Ontario
JAN. 1977

APPROVALS PROCEDURES

(Acceptance of Environmental Assessment
and approval to proceed with undertaking)
(by Environmental Assessment Act)

1. Ontario Hydro submits environmental assessment to Minister of the Environment

- review of EA prepared by Ministry of the Environment
- notice of EA and review to public

- 2.(a) If any person* (within 30 days or longer as stated in notice) requires a hearing (and the requirement not "frivolous or vexatious" or the hearing meaning "undue delay" in the opinion of the Minister of the Environment)

OR

if the Minister of the Environment considers it advisable to require a hearing.

- 2.(b) Where a hearing on the EA is not required and the Minister is of the opinion that the EA is satisfactory without further research studies, etc., EA accepted and notice given

- (c) If Ontario Hydro or any person* who has made a written submission on the EA and review at 2(a) (by written notice within 15 days of decision) requires hearing on whether approval to proceed, etc. should be given (and the Minister does not consider requirement frivolous, etc.).

3. The Environment Assessment Board holds inquiry on the acceptance/ amendment of the EA

AND/OR

whether approval to proceed/approval with modifications/denial of approval.

4. Environmental Assessment Board written decision and reasons to Minister of the Environment.

5. Within 28 days (or longer) of receipt of decision, the Minister of the Environment with the approval of the Cabinet may vary or substitute for decision, or require new hearing, with written reasons. If decision is varied or substituted, decision is final. If Minister takes no action within the specified time period, decision is final.

(Outline only; for more detailed description see the Environmental Assessment Act, 1975)

* access by individual

EXPROPRIATION PROCEDURES

(By Expropriations Act)

1. Ontario Hydro - makes application to Minister of Energy to expropriate
 - notice of application to landowner (who may request hearing* by submission to Minister within 30 days).
2. If hearing requested, Minister of Energy may appoint Inquiry Officer to establish if acquisition is "fair, sound and reasonably necessary"
 - public inquiry held
 - Inquiry Officer reports evidence, argument, and his opinion to the Minister of Energy.
3. Within 90 days Minister of Energy approves, denies approval, or approves with modifications (which cannot affect lands of owner not party to the hearing), giving written reasons.
4. If expropriation approved by Minister of Energy, Ontario Hydro (within 3 months) registers plan in land title office or registry and sends notice of expropriation to landowner, along with details as to date of access to land, options for date of evaluation of land.
5. If agreement as to compensation cannot be reached between Ontario Hydro and landowner, either party* can request negotiation proceedings by Board of Negotiation (or, arbitration without negotiation can be requested).
6. If negotiation requested, Board of Negotiation meets with Ontario Hydro and landowner and proceeds "in a summary and informal manner" to negotiate a settlement of compensation.
7. If negotiation not successful, either party* can request arbitration by the Land Compensation Board (or other government tribunal)
 - Land Compensation Board holds formal hearings.
8. Land Compensation Board recommends amount of compensation with written reasons for decision
 - decision binding if not appealed within 30 days.
9. If Land Compensation Board jurisdiction or decision is called into question by an affected party*, the Board is required to state its case in writing to the Court of Appeal.
10. Court of Appeal may refer any matter back to Land Compensation Board or make a decision on compensation
 - decision of Court of Appeal is final and binding.

(Outline only: for more detailed description see the Expropriations Act.)

* access by individual

